VZCZCXRO5936 OO RUEHDBU RUEHFL RUEHKW RUEHLA RUEHROV RUEHSR DE RUEHCP #1020/01 3181258 ZNY CCCCC ZZH O 141258Z NOV 07 FM AMEMBASSY COPENHAGEN TO RUEHC/SECSTATE WASHDC IMMEDIATE 3921 INFO RHEHNSC/NSC WASHDC IMMEDIATE RUEKJCS/SECDEF WASHINGTON DC IMMEDIATE RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 COPENHAGEN 001020

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STATE FOR EUR NSC FOR JUDY ANSLEY, MARIA GERMANO

E.O. 12958: DECL: 11/14/2017

TAGS: <u>PGOV PREL PHUM MARR ECON SOCI DA</u>
SUBJECT: DANISH <u>ELECTIONS: PM RASMUSSEN WINS THIRD TERM</u>

WITH THIN MAJORITY

REF: A. COPENHAGEN 1015 ¶B. COPENHAGEN 998 ¶C. COPENHAGEN 970

Classified By: DCM Sandra Kaiser, reasons 1.4b,d

- 1.(C) Summary: With a late surge and aided by the collapse of the centrist New Alliance party, Danish Prime Minister Anders Fogh Rasmussen,s Liberal-Conservative-Danish People,s Party bloc secured the narrowest of parliamentary majorities in November 13 elections, winning a historic third term. thinness of the government's margin may present new challenges and embolden the opposition -- especially the election's biggest gainer, the left-wing Socialist People,s Party -- but the results signal a convincing popular backing for Rasmussen,s center-right policies and satisfaction with Denmark's record economic health. With the new parliament, we anticipate continuation of Denmark's valiant effort in Afghanistan, but more parliamentary attention to purported U.S. renditions and detainee abuse. End summary.
- 12. (C) With nearly 100 percent of votes counted, the Liberal-Conservative-Danish People's Party bloc is projected to win 89 seats, enabling it to reach a majority of 90 with the addition of one pro-government Faroe Islands seat (Greenland and the Faroes elect two seats each; the other Faroes seat and both Greenlandic ones will side with the opposition). The Social Democratic-led bloc managed 81 seats in continental Denmark, or about 47 percent of the national vote. In the end, the erratic New Alliance party (Ref C) won just five seats, enough to give it a place in parliament as a possible ally of the government, but not as "kingmaker."
- 13. (C) On election night, an exuberant Rasmussen extended an offer to New Alliance to join the government parties in backing a broad, common platform. New Alliance founder Naser Khader's initial reaction was equivocal, but most analysts expect -- to the degree that Khader's moves can be predicted -- that New Alliance will at least refrain from siding actively with the opposition. The good news for the prime minister, of course, is that he doesn't need New Alliance's support. Early November 14, Rasmussen informed the Queen of his majority backing, continuing the current government for another possible four years. The prime minister also began consultations with the leaders of the government parties and New Alliance on the broad parliamentary platform.
- $\underline{\texttt{1}}4.$  (C) Rasmussen's Liberal party received less support than in 2005 elections, down to 46 seats from 52 last time, but remained the most-voted party, for the third election in a row. The Conservatives ran a strong campaign and were able to match their 2005 strength after a long decline, securing 18 seats. It was the Danish People's Party, though, that

made the difference for the government bloc. The DPP defied the polls (which may underestimate the nationalist vote) and improved upon its dramatic 2005 performance, raising its total to 25 seats and confirming the political muscle of populist, anti-immigration sentiment in Denmark.

- 15. (C) Social Democratic leader Helle Thorning-Schmidt won praise even in defeat for her campaign, which nevertheless resulted in the SDP's worst showing in over 100 years (although, at 45 seats, down only slightly from 2005). Thorning-Schmidt established herself in the race as a capable adversary and credible prime minister. In conceding defeat, she vowed to win "next time" and most observers here believe that she will remain as opposition leader and be given that chance. The SDP's lackluster performance contrasted with the extraordinary showing of its ally, the Socialist People's Party (SF), which more than doubled its representation in parliament, to 23 seats. Led by the charismatic Villy Sovndal, the SF benefited from leftist disapproval of the SDP's moves toward the center and now stands to play a much more prominent role in Danish political life. Given the SF's traditionally sharp criticism of the government on a wide range of issues including foreign policy (e.g., Afghanistan, cooperation with the U.S. in the war on terror), we can expect that the Danish opposition will be increasingly active and vocal in going after the government. We also expect more parliamentary pressure on the government on controversial areas of counter-terrorism cooperation with the U.S.
- 16. (C) The biggest loser in these elections is Naser Khader's New Alliance. The party's rollercoastering support in the polls hit a trough precisely on election day and nearly resulted in New Alliance being shut out of parliament altogether. The sensation New Alliance caused suggests a

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desire for change even from centrist or center-right voters, but Naser Khader's poor performance during the campaign (fumbling questions on tax policy, vacillating on his backing for Rasmussen) quickly eroded his support within that group. The party may yet recover, but it will need to demonstrate greater discipline and focus than its leadership has been able to manage until now.

17. (C) Comment: Rasmussen's re-election is good news for the United States. That he will be able to govern -- barring any defections from his own camp -- without having to rely on the unpredictable New Alliance is even better news. We can look forward to sustaining and deepening our close cooperation with the Danish government, with confidence in Rasmussen's stewardship of Danish policy and his commitment to partnership with us in confronting global challenges. CAIN